

State to acquire real property, together with a plan of compensation to FmHA or its successor agency under Public Law 103-354 and evidence of the State's legal authority to enter into this agreement with FmHA or its successor agency under Public Law 103-354 to accept the real property and repay FmHA or its successor agency under Public Law 103-354 for the fair market value of the real property for the intended purpose.

(g) Real property acquired by FmHA or its successor agency under Public Law 103-354 shall be transferred to the State requesting by a quitclaim deed for a price equal to the fair market value in accordance with the terms of a transfer agreement.

(h) After obtaining title to the real property and prior to transfer to the State, the property shall be managed by FmHA or its successor agency under Public Law 103-354 in accordance with part 1955, subpart B of this chapter.

(i) The State Director shall inform the Governor that FmHA or its successor agency under Public Law 103-354 real property acquisition is not likely to occur by purchase or trade if negotiations have failed to produce acceptable results within 90 days of the request for FmHA or its successor agency under Public Law 103-354 acquisition of real property.

§ 1948.89 Land condemnation by FmHA or its successor agency under Public Law 103-354.

(a) If FmHA or its successor agency under Public Law 103-354 attempts to acquire real property at the request of a Governor through purchase or trade and is unable to do so, FmHA or its successor agency under Public Law 103-354 may take action to condemn the real property by the following procedures:

(1) A request for condemnation shall be submitted by the FmHA or its successor agency under Public Law 103-354 State Director to the Administrator, FmHA or its successor agency under Public Law 103-354, Washington, DC 20250 at the request of the Governor of the appropriate State. A copy of the Governor's request for FmHA or its successor agency under Public Law 103-354 real property condemnation and the

State Attorney General's opinion that State and local government condemnation authority is lacking shall be attached to the FmHA or its successor agency under Public Law 103-354 State Director's request.

(2) The Administrator shall forward all requests for Federal condemnation to the OGC, USDA with a recommendation for action.

(3) The Administrator, FmHA or its successor agency under Public Law 103-354 shall inform the Governor of any action on the request for condemnation.

(4) Real property condemned by FmHA or its successor agency under Public Law 103-354 shall be transferred to the requesting State by a quitclaim Deed for a price equal to the fair market value of the real property in accordance with terms of a negotiated real property transfer agreement.

(5) After obtaining title to real property and prior to transfer to the State, the property shall be managed by FmHA or its successor agency under Public Law 103-354 in accordance with part 1955, subpart B of this chapter.

(b) FmHA or its successor agency under Public Law 103-354 may not condemn Indian Trust Land or U.S. Forest Service Land.

§ 1948.90 Land transfers.

(a) Transfers of real property acquired by FmHA or its successor agency under Public Law 103-354.

(1) A request for FmHA or its successor agency under Public Law 103-354 acquisition of real property by a Governor of a State constitutes an agreement by that State to receive said real property and to reimburse FmHA or its successor agency under Public Law 103-354 for the fair market value of said real property for the intended use.

(2) Terms and conditions, including reimbursement terms, for real property transfers shall be set forth in a Real Property Transfer Agreement between the Administrator, FmHA or its successor agency under Public Law 103-354 and the appropriate Governor. These terms and conditions will be agreed upon by FmHA or its successor agency under Public Law 103-354 and the State prior to FmHA or its successor agency under Public Law 103-354 attempting to